

FISCAL NOTE

SB 36 - HB 23

January 23, 2007

SUMMARY OF BILL: Enacts the *Tennessee Minimum Wage Act* by setting a wage rate of not less than \$6.15 per hour. Violations are punishable through fines and as a Class B misdemeanor.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures - \$194,000 Recurring
\$24,000 One-Time**

Increase State Revenues – Exceeds \$50,000

Increase Local Govt. Revenues – Not Significant

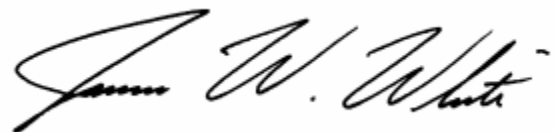
Increase Local Govt. Expenditures – Not Significant

Assumptions:

- The Department of Labor and Workforce Development would be responsible for enforcing the provisions of this bill.
- An increase in recurring and one-time state expenditures for three inspector positions in the Department of Labor and Workforce Development.
- An increase in state revenues from the collection of fines for violations of the provisions of this bill.
- There will not be a sufficient number of prosecutions for local governments to experience any significant increase in revenues or expenditures.
- According to the Department of Personnel, the definition of “employer” does not include the State of Tennessee.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director